Exhibit 300

United States of America ex rel. Ven-A-Care of the Florida Keys, Inc., et al. v. Dey, Inc., et al., Civil Action No. 05-11084-PBS

Exhibit to the August 28, 2009 Declaration of Sarah L. Reid in Support of Dey's Opposition to Plaintiffs' Motion for Partial Summary Judgment

	Page
1	UNITED STATES DISTRICT COURT
2	DISTRICT OF MASSACHUSETTS
3	X
4	IN RE PHARMACEUTICAL INDUSTRY)
5	AVERAGE WHOLESALE PRICE LITIGATION)
6	X Volume 1
7	THIS DOCUMENT RELATES TO:) MDL NO. 1456
8	The City of New York, et al.,) Civil Action
9	V.) No. 01-12257-PBS
10	Abbott Laboratories, et al.)
11	X
12	THIS DOCUMENT RELATES TO:
13	State of California, ex rel.)
14	Ven-A-Care v. Abbott Laboratories,)
15	Inc., et al., Case No.
16	03-cv-11226-PBS)
17	X
18	THURSDAY, MAY 15, 2008
19	DEPOSITION OF DEY, L.P. AND DEY, INC.
20	BY PAMELA MARRS
21	Reported By: CAROL NYGARD DROBNY, CSR No. 4018
22	Registered Merit Reporter

1	but you're uncertain about Medispan and Redbook?	Page 75
2	A. Which is there one in there that's	
3	the blue book that's referred to as "the blue	
4	book"?	
5	I know that there are other price	
6	reporting agencies we send information to, but	
7	I'm not sure if what we did back in the early	
8	nineties is the same as what we do today.	
9	But there are there's more than one	
10	firm that we send our prices to, yes.	
11	Q. And to answer your question, yes, there	
12	is or was a blue book	
13	A. Which one is	
14	Q that was purchased by the company	
15	that owns First DataBank.	
16	A. Oh. So that is First DataBank. Okay.	
17	Q. And when Dey has reported its pricing	
18	information to these pricing compendia, it	
19	typically has reported both a WAC and an AWP for	
20	its drugs; correct?	
21	A. That's correct.	
22	Q. And "WAC" is Wholesaler Acquisition	

		Page 76
1.	Cost?	
2	A. "WAC" is the invoice price at which we	
3	sell to the wholesalers at.	
4	Q. By the acronym "WAC" stands for	
5	Wholesaler Acquisition Costs; correct?	
6	A. That's what it stands for, yes.	
7	Q. And "AWP" stands for Average Wholesale	
8	Price?	
9	A. That's what the words say. Definition	
10	is, obviously, in question.	
11	Q. When you say "The definition the	
12	definition is obviously in question," just taking	
13	the words "Average Wholesale Price," Dey did sell	
14	its products to wholesalers; correct?	
15	A. Dey sold its products to wholesalers,	
16	yes.	
17	Q. And when it sold its products to	
18	wholesalers, there was a price for those drugs to	
19	the wholesalers; correct?	
20	A. Which is commonly referred to as "WAC,"	
21	which is the invoice price to the wholesalers.	
22	Q. Okay. Then then the wholesalers, in	

1	MR. AZORSKY: Okay.	Page 78
2	THE WITNESS: What the complexities of	
3	that are I don't know, because we don't,	
4	obviously, have access to the wholesaler data.	
5	BY MR. AZORSKY:	
6	Q. Well, you in fact, Dey does have	
7	access to certain information about the price at	
8	which its drugs are sold by wholesalers, and that	
9	involves perhaps the distinction between direct	
10	sales and indirect sales; is that correct?	
11	MR. DOYLE: Objection as to form.	•
12	THE WITNESS: No. Actually, we don't -	
13	- we don't have visibility as to what price the	
14	wholesaler sells our product to what you're	
15	referring to as indirect sales or our contract	
16	customers.	
17	What we know is that we get a	
18	chargeback from the wholesaler, but it's my	
19	understanding that the wholesaler then takes that	
20	contract price let's say we have a contract	
21	with a hospital at \$10.	
22	We get a chargeback for the difference	

- 1 between the contract price and the price on the
- 2 invoice that the wholesaler paid. So that's what
- 3 we know.
- 4 What we don't know is when the
- 5 wholesaler then sells that product out to the
- 6 hospital what kind of mark-up they add, because,
- 7 obviously, they have to add some type of mark-up
- 8 or they wouldn't stay in business. We don't have
- 9 visibility as to what they ultimately sell it to
- 10 the customer for.
- 11 BY MR. AZORSKY:
- 12 Q. So the one aspect of the wholesaler's
- 13 price to the provider that you're not -- you,
- 14 Dey, is not privy to is the mark-up by the
- 15 wholesaler?
- MR. DOYLE: Objection as to form.
- 17 BY MR. AZORSKY:
- Q. Is that what you're saying?
- A. Well, we don't -- we don't know what
- 20 happens to the transaction after it leaves the
- 21 wholesaler.
- We know that we get a -- a report or

1	product at a certain price; correct?	Page 82
2	A. No. We have a contract with the GPO	
3	that says that their contract price with Dey is	
4	at "X" amount.	
5	They then purchase that product from a	
6	wholesaler, who sells it to them at an amount,	
7	and I would assume from a logical standpoint	
8	there's some relationship between the contract	
9	price and what they buy it for, but I don't know	
10	I don't know if that varies by customer, or in	
11	size, or I don't know how that relationship	
12	works.	
13	Q. Isn't it true that in every case the	
14	contract price is lower than the WAC?	
15	A. Yes, the contract price is always lower	
16	than the WAC.	
17	Q. And so, because the wholesaler is	
18	selling the product to the provider for less than	
19	the wholesaler purchased the product from Dey,	•
20	the wholesaler issues a chargeback for that	
21	difference; is that correct?	

Well, the wholesaler issues a

A.

22

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		Page 90
1	So my only point is there are other	rage so
2	customer groups that get different discounts.	
3	Q. So are you saying that Dey categorizes	
4	a customer as a wholesaler depending upon	
5	whether that entity services contract customers	
6	of Dey?	
7	A. Generally speaking I can't right now	
8	think of somebody we call a "wholesaler" who	
9	doesn't have at least some element of chargeback	
10	activity.	
11	Q. Can you tell me how Dey defines a	
12	"direct sale" and "indirect sale."	
13	A. A "direct sale" is something that is	
14	shipped out of Dey's distribution center and goes	
15	to a customer. An invoice is issued to that	
16	customer.	
17	An "indirect sale" is a sale that takes	
18	place between our direct customer and a contract	

- 20 And the only way we have any visibility
- 21 as to what those indirect sales are is because
- 22 they come back through the system as a

customer such as a hospital.

19

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- 1 chargeback.
- Q. Does Dey consider all sales to
- 3 wholesalers to be direct sales?
- 4 A. Yes, those are all direct sales.
- 5 O. And then the indirect sale is when the
- 6 wholesaler then services one of Dey's contract
- 7 customers?
- 8 A. That's correct.
- 9 Q. In addition to the prompt pay discount
- 10 what other discounts or rebates do wholesalers
- 11 receive that would generate profit to the
- 12 wholesaler from such indirect sales?
- MR. DOYLE: Objection as to form.
- 14 THE WITNESS: Other types of rebates --
- 15 well, a chargeback is not a rebate. That's a
- 16 different kind of concept.
- 17 But there are rebates that over time
- 18 have been paid to the wholesalers.
- 19 There's something called a "source
- 20 program" whereby the wholesaler has -- and I
- 21 don't know all the details, but they basically
- 22 will for a fee publish your product in their

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- 1 retail. Back in the early years GPOs primarily
- 2 were hospital driven, but that's changed over
- 3 time.
- 4 So you'd have to look at each GPO to
- 5 determine their -- who is in their membership.
- 6 O. So, going down this list of customer
- 7 types and going back to that column, the first is
- 8 "Chain-WH."
- 9 What does that refer to?
- 10 A. That means it's a chain drug store that
- 11 has a warehousing facility. So we would ship to
- 12 a warehouse as opposed to the individual stores.
- 13 Although, then I see "chain-
- 14 nonwholesale, " and I see Safeway in there, so I'm
- 15 not sure what -- I -- that's my -- when I've
- 16 heard this in context, when they talk about chain
- 17 warehousing facilities, it's where we ship to a
- 18 centralized warehouse.
- 19 Q. Well, are there chains that do not have
- 20 warehouses?
- 21 A. Well, there are chains that we don't
- 22 ship to their warehouse.

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- 1 different customer categories, there were
- 2 individual price sheets.
- 3 So there would be a price sheet for
- 4 wholesale, a price sheet for retail.
- 5 Like I said, it became meaningless
- 6 because, you know, it became a negotiation point,
- 7 but this was really the summarization of those
- 8 list price sheets so that one -- they appeared
- 9 all in one place.
- 10 It was an internal document that just
- 11 summarized that information.
- Q. Were prices to wholesalers uniform
- 13 across -- different wholesalers so that WAC was
- 14 the same regardless of which wholesaler a drug
- 15 was being sold to?
- MR. DOYLE: Objection as to form.
- 17 THE WITNESS: Generally speaking, as
- 18 far as I know, we've -- the wholesale price has
- 19 always been the same for different wholesalers,
- 20 McKesson, Cardinal, et cetera, et cetera.
- 21 BY MR. AZORSKY:
- 22 Q. And when setting an AWP for a drug to

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- 1 be reported to the pricing compendia at the time
- 2 a generic product was launched, it was Dey's
- 3 practice to set AWP at or near 10 percent below
- 4 the brand AWP; is that correct?
- A. It's my understanding that that was the
- 6 guidance that was given to us by First DataBank.
- 7 Ed Edelstein had a conversation or maybe it was a
- 8 memo, I don't recall which, with Bob Mozak, and
- 9 that was the guidance that was given in terms of
- 10 how to establish an AWP for a generic product at
- 11 launch.
- Q. Do you know exactly what Mr. Edelstein
- 13 said to anyone at Dey in that regard?
- MR. DOYLE: Objection as to form.
- THE WITNESS: I don't know exactly.
- I've seen it -- I've heard it referred
- 17 to with Bob when he was at Dey.
- 18 I've seen it referred to in a
- 19 deposition, but -- I didn't personally have the
- 20 conversation or see the document, if there was
- 21 one, issued by First DataBank.
- 22 BY MR. AZORSKY:

- 1 Q. And you were --
- 2 A. That's always been my understanding
- 3 from -- from what Bob said back in the days when
- 4 he actually was still working at Dey.
- Q. And you weren't personally present
- 6 during that conversation; correct?
- 7 A. I was not personally present.
- Q. My question was, though, whether it was
- 9 Dey's practice to set AWP at the time of the
- 10 launch of a generic product at or near 10 percent
- 11 below the brand AWP.
- 12 A. It's my understanding that based on the
- 13 advice from First DataBank that's how we
- 14 established the AWP on launch.
- 15 Q. Well, regardless of whether it was on
- 16 advice from anyone, is that, in fact, what Dey
- 17 did, it set AWP at approximately at or about 10
- 18 percent below the brand AWP?
- 19 A. It's my general understanding.
- I'd have to go back and actually do the
- 21 calculations to make sure that that is correct
- 22 and it wasn't 12, or 13, or 15 percent, but

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- 1 throughout my time in preparing for various
- 2 depositions that's what I've always been told by
- 3 -- Bob specifically, but, you know, I've heard it
- 4 from other people as well.
- 5 Q. And has it historically been typically
- 6 the case that Dey does not change the AWP once
- 7 it's been set at the time of launch of a new
- 8 product?
- 9 A. For generic products, that's correct.
- 10 It's, again, my understanding that
- 11 that's an industry practice, that AWP is not
- 12 changed.
- For the brands the AWP does change over
- 14 time as price increases are implemented for the
- 15 brand products, because with brand products
- 16 prices tend to go up, not down.
- 17 The AWP is raised a corresponding
- 18 amount.
- 19 O. And when you say "it's industry
- 20 practice, " what -- what source are you drawing
- 21 upon to understand the industry practice with
- 22 respect to setting or changing AWP?

Page 135 1 We do not -- we do not now -- and I'm not sure if we even did then, other than this 2 piece of paper we got from them actually 3 physically look in the published document to see if our prices were input correctly. 5 BY MR. AZORSKY: 7 But Dey does know that the prices that 8 are reported in First DataBank, Medispan, and Redbook are the prices that were reported to it 9 10 by Dey; correct? 11 MR. DOYLE: Objection as to form. 12 THE WITNESS: No. That's what I was 13 trying to explain. 14 In the early years they would send us a 15 piece of paper back, not the -- not the published 16 document, but a confirmation form, where we would 17 look at it, it appears from the documentations 18 I've looked at, and validate that that was, in 19 fact, what we sent them. 20 That doesn't happen any longer. 21 What we do now is we send them a letter notifying them of a price change, and we ask them 22

- 1 to sign off and send back to us a confirmation
- 2 that they received the information.
- 3 We do not then go and -- and verify
- 4 that they've posted the correct amount, which
- 5 became obvious when this whole issue happened
- 6 with the generic products in 2003, where they
- 7 lowered our AWP.
- 8 We didn't actually know anything about
- 9 it until customers started calling and
- 10 complaining.
- 11 BY MR. AZORSKY:
- 12 Q. So in addition to reporting an AWP Dey
- 13 reports a WAC price; correct?
- 14 A. That's correct. We send them
- 15 information on WAC as it changes.
- 16 O. And, in fact, historically Dey has
- 17 reduced its WAC prices on their generic drugs
- 18 from time-to-time; correct?
- 19 A. Correct.
- 20 As the price of the marketplace has
- 21 come down we've also reduced our reported WAC.
- Q. Now, Dey does that on a -- on a

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- periodic basis; correct?
- 2 A. It -- it was done on a periodic basis
- 3 in the past. Lately the price hasn't changed
- 4 that much in the market, so there hasn't been a
- 5 WAC decrease for -- for quite a while now.
- 6 O. But when there was a decrease in WAC
- 7 prices in the marketplace, did Dey report the
- 8 change in WAC on a regular basis such as
- 9 annually?
- 10 A. No. The notification was made when the
- 11 change actually happened.
- 12 So that there would be no need to
- 13 notify them if nothing changed. They would --
- 14 the Contracts Department more recently, at one
- 15 point it was the Marketing Department, would
- 16 notify the reporting agencies when the actual WAC
- 17 decrease occurred.
- 18 Q. So every time Dey lowered its prices to
- 19 wholesalers it reported the change in WAC?
- 20 A. Well, I would probably have to --
- MR. DOYLE: Objection as to form.
- THE WITNESS: -- check the documents to

- 1 Q. How does Dey set its WAC?
- A. WAC is similar to AWP, set at launch,
- 3 and it's a percentage off of the AWP, which, in
- 4 turn, is a percentage off of the brand price.
- Q. And the decision as to the exact number
- 6 while Mr. Mozak was Vice President of Sales and
- 7 Marketing was made by him; is that correct?
- 8 A. Yeah. Pretty much Bob was in charge of
- 9 that type of thing.
- 10 Q. And that was a business decision that
- 11 he made as Vice President of Sales and Marketing;
- 12 correct?
- 13 A. Yes.
- Q. And the WAC as reported by Dey to the
- 15 pricing compendia does not account for
- 16 chargebacks, rebate incentives, and fees;
- 17 correct?
- It's -- it's not net of those?
- 19 A. No.
- MR. DOYLE: Objection as to form.
- THE WITNESS: The WAC that's reported
- 22 is the invoice price to the customer -- to the

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		Page 145
1	wholesaler.	3
2	BY MR. AZORSKY:	
3	Q. Not reflected	
4	A. And it does not	
5	Q in chargebacks, rebates, or	
6	discounts; right?	
7	A. And use it does not include	
8	chargebacks, rebates.	·
9	Q. Or discounts?	
10	A. Or discounts.	
11	Q. What is a "FUL"?	
12	A. "FUL" stands for Federal Upper Limit.	
13	Q. How is a FUL set?	
14	A. It's a percentage I think it's 150	
15	percent of a some published price, but it's my	
16	understanding there's some controversy over	
17	exactly what it's 150 percent of, the lowest	
18	price in the market or something like that.	
19	I'm not clear on the definition based	
20	on my conversations with some others.	
21	Q. Your conversations with who?	
22	A. Well, I've spoken with the attorneys.	

		Page 185
1	that was sometimes given to the Sales Reps.	
2	What I don't know and what I'm not	
3	aware of is if it was updated on a structured,	
4	regimented basis every, you know, "X" days or	
5	months.	
6	MR. AZORSKY: Okay.	
7	THE WITNESS: I know that there are	
8	documents I have seen that have AWP on it that	
9	were provided to the Sales Reps in case customers	
10	asked them questions about it.	
11	Well, that was AWP, though, not the	
12	reimbursement rate that I'm remembering.	
13	So I mean, the documents that I've	
14	seen from the company at this point don't show	
15	evidence that there was a monthly report or any	
16	regular report that was distributed to people	
17	that had this kind of information on it.	
18	I'm not saying that people weren't	
19	generally aware that that was the reimbursement	
20	formula in some way.	
21	I I haven't seen documents that	
22	would approach it was tracked in a regimented and	

- 1 structured way.
- 2 Q. Fair enough.
- And I did not mean to suggest in my
- 4 question that Dey kept track of it on a -- in a
- 5 regimented manner.
- Rather, my question was whether Dey
- 7 kept track of changes to the Medicare or Medicaid
- 8 programs.
- 9 MR. DOYLE: Objection as to form.
- 10 THE WITNESS: Program --
- 11 BY MR. AZORSKY:
- 12 Q. Not necessarily on a weekly or monthly
- 13 regimented basis, but periodically the sales
- 14 force and the Marketing Department were aware of
- 15 how their drugs were being reimbursed by the
- 16 different Medicaid agencies around the country.
- MR. DOYLE: Objection as to form.
- THE WITNESS: What I have seen that was
- 19 provided to the Sales Reps from corporate was an
- 20 AWP price list.
- I don't know if it was called "price
- 22 list," but a list of AWPs that was -- that was

- 1 given to the Sales Rep just for their information
- 2 in case customers asked.
- What I'm not aware of, other than
- 4 having seen the Carrie Jackson memo -- I don't
- 5 recall seeing documents that talked about
- 6 reimbursement in terms of the formula by state.
- 7 It was more just a general AWP
- 8 worksheet for reference.
- 9 BY MR. AZORSKY:
- 10 Q. Well --
- 11 A. Which is -- I mean, it's -- granted,
- 12 AWP was part of it, but I don't recall seeing on
- 13 that spread sheet the specific formula by state.
- 14 O. Okay. But Dey was aware that -- that
- 15 many states reimbursed for -- drugs dispensed to
- 16 Medicaid recipients based upon AWP and WAC, as
- 17 you've previously testified; correct?
- A. Based on the documents I've seen it's -
- 19 it appears some people were aware of that, yes.
- I don't think it was a -- perhaps maybe
- 21 in the Sales organization it was broader. I
- 22 don't think it was a corporate -- something that

- 1 and different people have used that term to
- 2 compare different sets of numbers.
- 3 BY MR. AZORSKY:
- 4 Q. And in the Marketing and Sales
- 5 Department of Dey in terms of the sale of Dey's
- 6 generic products "spread" was commonly understood
- 7 according to those -- I think uniformly according
- 8 to those that have testified as being the
- 9 difference between the provider's acquisition
- 10 costs and the reimbursement to the provider from
- 11 a third party payer; is that fair to say?
- MR. DOYLE: Object as to form.
- 13 Objection as to form.
- 14 THE WITNESS: I have seen a handful of
- documents that refer to it in that manner.
- What is not -- what I'm not aware of is
- 17 how pervasive it was understood throughout the
- 18 organization, but there are documents that refer
- 19 to it that way, yes.
- 20 BY MR. AZORSKY:
- Q. And, in fact, from as early as February
- 22 1992 Mr. Mozak began implementing a sales

Page 222 1 strategy of marketing Dey's generic products by marketing the spread between the provider's 3 acquisition cost and the provider's reimbursement for the dispensing of that product from Medicaid; isn't that correct? 5 MR. DOYLE: Objection as to form. 7 THE WITNESS: I haven't seen a strategy document that talks about it as a strategy. 8 9 What I've seen are some documents that 10 refer to launch at launch the setting of AWP and 11 the differential in the prices and the fact that 12 we had to have a lower -- let's see. How did 13 this work? A lower AWP than the brand and our 14 selling -- our actual selling price to the 15 customer would also be lower, and the differential would incentivize the customer to 16 17 then buy the generic instead of the brand, 18 because, if there wasn't an incentive for the 19 chain drug, for example, to buy the generic, 20 there would be no reason for them to switch from 21 the brand to the generic. 22 (Exhibit Marrs 022 was marked for

- 1 which is to provide incentive to retail chain
- 2 providers to use Dey's Albuterol UD, that's unit
- 3 dose I believe, by increasing the spread on
- 4 Medicare or Medicaid reimbursements; is that
- 5 correct?
- 6 A. That's what it says, yes.
- 7 Q. So in this instance, in February 1992,
- 8 Mr. Mozak proposed a pricing strategy of
- 9 providing incentive to customers to purchase
- 10 Dey's generic product by increasing the spread
- 11 between a provider's acquisition cost and a
- 12 provider's reimbursement by Medicare and Medicaid
- 13 systems?
- MR. DOYLE: Objection as to form.
- THE WITNESS: What I understand, having
- 16 looked at some other depositions, is that it was
- 17 Bob's intent to make sure that the retailer was
- 18 incentivized to stock the generic instead of the
- 19 brand, and the way to do that was to reduce the
- 20 selling price down so that the difference between
- 21 the reimbursement rate and what the customer
- 22 purchased it at was higher than what the brand

- 1 comparable differential would be.
- 2 BY MR. AZORSKY:
- 3 Q. And, in fact, that same strategy was
- 4 subsequently used by Dey's sales force to
- 5 incentivize customers to purchase Dey's products
- 6 based upon the greater spread between acquisition
- 7 cost and Medicaid reimbursement for the purchase
- 8 of Dey's product versus a competitor's generic
- 9 product; isn't that correct?
- MR. DOYLE: Objection as to form.
- 11 THE WITNESS: I'm not sure I followed
- 12 that.
- 13 Are you saying -- say it -- say it
- 14 again. I'm sorry.
- 15 BY MR. AZORSKY:
- 16 Q. Sure.
- In fact, subsequent to this it became
- 18 an accepted practice within Dey's sales force to
- 19 incentivize customers to purchase Dey's generic
- 20 products by marketing the larger spread available
- 21 to providers who purchased Dey's products than
- the spread available to them from the purchase of

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Page 228 a competitor's product? 1 2 MR. DOYLE: Objection as to form. THE WITNESS: You say "practice" as if 3 it's a -- it was a pervasive and primary effort of a sales force, and that's not my impression 5 from looking at the documents. 6 You know, what I've seen is we've 7 produced millions of documents, and there are a handful of documents that refer to the spread. 9 They tend to be focused more on the 10 launch of Albuterol and Cromolyn, not on 11 Ipratropium that I recall. 12 I've seen something called "the 13 reimbursement spread sheet" where we were seeking 14 to convert customers from multi-dose to unit use 15 Albuterol which made reference to the calculated 16 17 spread on both products. 18 What I haven't seen are, you know, hundreds of documents that refer to this. 19

So I -- you know, from other testimony

given and from talking to internal people it's my

20

21

- 1 wasn't the primary factor. It wasn't a
- 2 significant part of the ongoing effort.
- 3 It was used more at -- at launch to set
- 4 the price, and -- you know, I think, if it was
- 5 pervasive, there probably would be more than a
- 6 handful of documents that have been located.
- 7 BY MR. AZORSKY:
- Q. Okay. And you said that you came to
- 9 that conclusion based upon conversations with --
- 10 with people.
- 11 With whom did you have such
- 12 conversations?
- 13 A. Well, I talked to Russ Johnston to see
- 14 what his memory was of the situation.
- I talked to Jerry Crank.
- 16 Q. And what did Mr. Johnston tell you?
- 17 A. That he -- he was actually -- in the
- 18 early nineties was an inside salesperson. His
- 19 name was actually on this previous listing that
- 20 you gave to me of the Sales Reps, and as an
- 21 inside salesperson he didn't recall any
- 22 significant discussion of the spread in his role

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1	Page 232 MR. DOYLE: Objection as to form.
2	Go ahead and answer.
3	THE WITNESS: I mean, when you say
4	"competitor," who are you speaking of, the brand
5	or other generic competitors?
6	BY MR. AZORSKY:
7	Q. Well, let's let's take the instance
8	of Dey's unit dose Albuterol in competition with
9	Works' multidose Albuterol.
10	Was there a deliberate, well thought
11	out campaign to present to customers and
12	potential customers the greater profit that would
13	be made by a provider for purchasing Dey's
14	Albuterol product as opposed to Works' Albuterol
15	product?
16	MR. DOYLE: Objection as to form.
17	BY MR. AZORSKY:
18	Q. And wasn't that the purpose of the
19	reimbursement comparison worksheet?
20	MR. DOYLE: Objection as to form.
21	THE WITNESS: What I know about the
22	worksheet is that it was the whole conversion

		Page 233
1	of multidose to unit dose was driven by a variety	
2	of safety issues.	
3	Multidose to unit dose there were	
4	advantages from a sterility standpoint, from a	
5	dosing standpoint.	
6	As part of a way to get the customers	
7	to convert to the unit dose one of the Sales Reps	
8	or I don't know maybe there were more than	
9	one had this thought that the spread sheet	
10	would be created, and it was actually put	
11	together by Todd Galles after Steve Robertson	
12	and/or others, I don't know if there were others	
13	involved thought that this would be a good	
14	tool.	
15	It was one of many tools that the Sales	
16	Reps used for a limited period of time.	
17	I have seen testimony that suggests	
18	that it was helpful to the Reps, and I've seen	
19	testimony that suggests it was I think the	
20	term was, you know, it died a quick death because	
21	it was not useful to the Reps.	
22	But it was it was not the focus of	

Napa, CA

May 15, 2008

- 1 the attempt to -- or it's my understanding it was
- 2 not the focus of the attempt to convert business
- 3 from multidose to unit dose. It was one of the
- 4 many facets of the -- of the campaign to make
- 5 that conversion.
- And, actually, multidose today rarely
- 7 exists. There have been -- there were huge
- 8 sterility problems, and most people stopped using
- 9 multidose for that very reason.
- 10 BY MR. AZORYSKY:
- 11 Q. Does Dey have any evidence that the
- 12 strategy marketing the spread was disapproved by
- 13 Mr. Termier or Mr. Rice?
- MR. DOYLE: Objection as to form.
- THE WITNESS: Are you talking about the
- 16 spread sheet?
- MR. DOYLE: What strategy market --
- What are you talking about?
- 19 Are you talking about this?
- MR. AZORSKY: I'm talking about the
- 21 strategy of marketing of the sales force using
- 22 the price comparison worksheet or otherwise